

AMENDED IN ASSEMBLY MAY 27, 2011

AMENDED IN ASSEMBLY MAY 10, 2011

AMENDED IN ASSEMBLY APRIL 26, 2011

AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

**No. 1214**

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**Introduced by Assembly Member Skinner**

February 18, 2011

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An act to add Section 1103 to the Public Utilities Code, relating to electricity.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1214, as amended, Skinner. Electrical transmission.

Under existing law, the Public Utilities Commission (CPUC) has regulatory authority over public utilities, including electrical corporations, as defined. The Public Utilities Act prohibits any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the CPUC a certificate that the present or future public convenience and necessity require or will require that construction (certificate of public convenience and necessity). *The existing California renewables portfolio standard program (RPS program) establishes requirements for retail sellers, as defined, and local publicly owned electric utilities, as defined, to procure minimum quantities of eligible renewable energy resources, as defined, for various compliance periods.*

This bill would require the Independent System Operator (ISO) and the CPUC to jointly evaluate all electrical transmission facilities that

have been identified in the ~~ISO transmission process that serve solar development areas~~ *ISO's most recently approved transmission plan and determine which of those transmission facilities are necessary or useful to interconnect eligible renewable energy resources to facilitate achievement of the procurement requirements established for retail sellers and local publicly owned electric utilities pursuant to the RPS program.* The bill would require the CPUC and ISO, by March 31, 2012, to publish a report ~~identifying new and upgraded electrical transmission facilities that serve solar development areas that can potentially be placed in service by December 31, 2016, including an analysis of any barriers to permitting, construction, or placement into service of each facility by December 31, 2016, and the means to eliminate or minimize the effects of those barriers that includes a time frame for obtaining all governmental approvals for, construction of, and placement into service of, each of the transmission facilities determined to be necessary or useful to interconnect eligible renewable energy resources pursuant to the bill's requirements.~~ The bill would require the CPUC and the ISO to coordinate the ISO's transmission planning process and identification of needed transmission facilities with the CPUC's issuance of certificates of public convenience and necessity for transmission facilities.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 1103 is added to the Public Utilities Code,  
2     to read:  
3     1103. (a) ~~(1)~~—In order to maximize benefits to the state of the  
4     federal investment tax credit, the Independent System Operator  
5     (ISO) and the commission shall jointly ~~evaluate~~ *do both of the*  
6     *following:*  
7     *(1) Evaluate* all electrical transmission facilities, including new  
8     facilities or upgrades of existing facilities, that have been identified  
9     in the ~~ISO transmission planning process as being facilities that~~  
10    ~~serve solar development areas, as indicated by interconnection~~  
11    ~~requests by solar facility project developers.~~ *ISO's most recently*  
12    ~~approved transmission plan and determine which of those~~  
13    ~~transmission facilities are necessary or useful to interconnect~~  
14    ~~eligible renewable energy resources to facilitate achievement of~~

1 *the procurement requirements established for retail sellers and*  
 2 *local publicly owned electric utilities pursuant to the California*  
 3 *renewables portfolio standard program (Article 16 (commencing*  
 4 *with Section 399.11) of Chapter 2.3).*

5 ~~(2) By March 31, 2012, the ISO and the commission shall~~  
 6 ~~publish a report identifying new and upgraded electrical~~  
 7 ~~transmission facilities that serve solar development areas that can~~  
 8 ~~potentially be placed in service by December 31, 2016. The~~  
 9 ~~commission shall consult with transmission project developers in~~  
 10 ~~identifying the new and upgraded electrical transmission facilities~~  
 11 ~~that serve solar development areas. The report shall include a~~  
 12 ~~timeframe for obtaining all governmental approvals for,~~  
 13 ~~construction of, and placement into service of, each transmission~~  
 14 ~~project. The report shall include an analysis of any barriers to~~  
 15 ~~permitting, construction, or placement into service of each~~  
 16 ~~transmission facility by December 31, 2016, and the means to~~  
 17 ~~eliminate or minimize the effects of those barriers.~~

18 *(2) Publish a report by March 31, 2012, that includes a time*  
 19 *frame for obtaining all governmental approvals for, construction*  
 20 *of, and placement into service of, each of the transmission facilities*  
 21 *determined to be necessary or useful to interconnect eligible*  
 22 *renewable energy resources pursuant to paragraph (1). The report*  
 23 *shall also include an analysis of any barriers to permitting,*  
 24 *construction, or placement into service of each identified new or*  
 25 *upgraded transmission facility by December 31, 2016, and the*  
 26 *means to eliminate or minimize the effects of those barriers,*  
 27 *including temporary transmission solutions and regulatory changes*  
 28 *to allow additional eligible renewable energy resource projects*  
 29 *to deliver its electricity by December 31, 2016. The ISO and*  
 30 *commission shall consult with the relevant transmission project*  
 31 *developers in preparing the report. Nothing in this paragraph*  
 32 *prohibits the commission from incorporating the report into*  
 33 *another report by the commission to the Legislature that is required*  
 34 *under other law.*

35 ~~(b) (4) The commission and the ISO shall coordinate the ISO's~~  
 36 ~~transmission planning process and identification of needed~~  
 37 ~~transmission facilities with the commission's issuance of~~  
 38 ~~certificates for transmission facilities pursuant to this chapter.~~  
 39 *chapter by doing all of the following:*

1     ~~(2) The commission and the ISO shall evaluate alternatives for~~  
2 ~~building or upgrading transmission facilities that may enhance~~  
3 ~~achievement of the objectives of the California renewables portfolio~~  
4 ~~standard program (Article 16 (commencing with Section 399.11)~~  
5 ~~of Chapter 2.3) and the California Global Warming Solutions Act~~  
6 ~~of 2006 (Division 25.5 (commencing with Section 38500) of the~~  
7 ~~Health and Safety Code).~~

8     ~~(3) The ISO shall provide the commission with a formal~~  
9 ~~assessment of the new or upgraded transmission facilities needed~~  
10 ~~within its balancing authority area for each alternative identified~~  
11 ~~pursuant to paragraph (2).~~

12     *(1) The commission shall annually provide the ISO one or more*  
13 *resource scenarios consistent with the planning horizon of the*  
14 *ISO's transmission planning process. The resource scenarios shall*  
15 *be consistent with achievement of the procurement requirements*  
16 *established for retail sellers and local publicly owned electric*  
17 *utilities pursuant to the California renewables portfolio standard*  
18 *program (Article 16 (commencing with Section 399.11) of Chapter*  
19 *2.3).*

20     *(2) As part of its transmission planning process, the ISO shall*  
21 *identify any new or upgraded transmission facilities needed under*  
22 *the commission's resource scenarios and identify transmission*  
23 *alternatives to those new or upgraded transmission facilities*  
24 *considered by the ISO. The ISO and the commission shall*  
25 *cooperate in identifying transmission alternatives pursuant to this*  
26 *paragraph.*

27     ~~(4)~~

28     ~~(3) The commission shall give substantial weight to applications~~  
29 ~~for certificates for transmission facilities that are consistent with~~  
30 ~~the ISO's final approved transmission plan if the plan considers~~  
31 ~~the alternatives identified pursuant to paragraph (2).~~ *identified by*  
32 *the ISO's transmission planning process pursuant to paragraph*  
33 *(2).*